# INFORMATION LETTER

Not for Publication — NATIONAL CANNERS ASSOCIATION — For Members Only

No. 1487 — Washington, D. C. — May 15, 1954


## Program for Spring Meeting of N.C.A. Directors

*Tentative—Subject to Revision*

**Thursday, May 20**
**Presidential Room, Hotel Statler**

1:00 P.M.

Presiding: E. E. Willkie, President, National Canners Association

Luncheon

Address: "Current Status of Agricultural Legislation"—The Honorable Clifford R. Hope, Chairman, House Committee on Agriculture

Roll Call: Secretary Carlos Campbell

Resignations and Election of Substitutes; Election to Fill Vacancies

Appointment of Nominating Committee for Election of Executive Committee

Report of the Legislative Committee—George C. Seybolt, Chairman

Report of the Raw Products Committee—W. Stanley Macklem, Chairman

Other Committee Reports (to be announced)

Other N.C.A. Business

Adjournment to Home of Secretary Campbell, 1607 S. Arlington Ridge Road, Arlington, Va.

**Friday, May 20**
**Federal Room, Hotel Statler**

9:30 A.M.

Presiding: E. E. Willkie, President, National Canners Association

Report on N.C.A. Financial Status; Presentation of 1953 Audit: Louis Ratzesberger, Jr., Chairman, Finance Committee

Discussion of 1956 Convention Location

Progress Reports on Consumer and Trade Relations Program: W. A. Free, Sr., K. F. Boucher, George Anderson, N.C.A. Staff Members

Resignations of Substitutes; Reelection of Board Members

12:30 P.M.

Luncheon

Remarks: The Honorable Ezra Taft Benson, Secretary of Agriculture

## Farm Program Hearings End; Committees to Draft Bills

Hearings on general farm legislation have been concluded by both the Senate and House Committees on Agriculture.

Following its meeting on May 12, Chairman Hope of the House Agriculture issued the following statement:

"The committee met for the purpose of discussing the matter of a general farm bill, and a motion was made to have the committee begin work on an omnibus bill, without any decision having been reached with regard to what subjects are to be included in the general farm bill—and without any vote on what subjects are to be included in the bill. The staff was instructed to prepare and report to the committee,

*(Please turn to page 191)*

## Growers Organization Fined for Antitrust Violation

The U. S. District Court in New Orleans has imposed fines totaling $9,000 against the Louisiana Fruit and Vegetable Producers Union, Local 312 (AFL), six of its officers, and an officer of the National Agricultural Workers Union (AFL). All were charged with violating the Sherman Antitrust Act.

All of the defendants entered pleas of guilty. In addition to the fines imposed, the court sentenced each of the defendants to imprisonment for periods ranging from six to nine months

*(Please turn to page 193)*

## FDA Issues Proposed Order on Labeling Low-sodium Foods

Proposed findings of fact and a proposed order as to label statements for low-sodium foods were published by the Food and Drug Administration in the *Federal Register* of May 13. These are based on the hearing held in December, 1953, upon a proposal to amend the regulations with respect to labeling of dietary foods.

While the original proposal was merely that the quantity of sodium should be declared in terms of milli-

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## Anderson, Budd, Smith Speak on C & T Program

Speeches on the new N.C.A. Consumer and Trade Relations program were made this week to different food groups by three Association representatives.

Katherine R. Smith, Director of the Home Economics Division, was a member of the Institutional Market Panel conducted by the Pennsylvania Canners Association, May 11 at Wernersville, Pa., of which the moderator was Don Callahan, supervisor of marketing and merchandising, Dudley, Anderson and Yutzy, the firm engaged by the Association to conduct the new program. Among advantages stressed by Miss Smith that canned foods offer the restaurant, hotel or institution food manager are the following:

(1) Convenience of storage and handling, resulting in labor cost savings.

(2) Reduced serving portion costs which can be carried through to the public.

(3) The recognized quality and nutritive value of canned foods which means so much in hospital, school, armed service feeding.

Also on May 11, at Chicago, George Anderson of DAY spoke at a special session of college and university food directors during the annual convention of the National Restaurant Association. Recognizing rising food

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## FDA Publishes N.C.A. Proposal to Amend Catsup Standard

Notice is given in the *Federal Register* of May 11 that the Secretary of Health, Education, and Welfare invites comments on proposed amendments to the standard of identity for catsup.

The amendments were proposed by the N.C.A. (see INFORMATION LETTER of May 1, page 175).

Written comments should be addressed to the Department of Health,

*(Please turn to page 193)*

# STATISTICS

## 1953 Pack of Pimientos

The 1953 pack of pimientos totaled 2,132,660 actual cases, as compared with 653,322 cases packed in 1952, according to a report by the N.C.A. Division of Statistics.

The pack in Georgia increased from 485,259 cases in 1952 to 1,767,963 cases last year. Packs of pimientos were also reported for the states of Alabama, California, Mississippi, and Tennessee.

## Prospective Plantings of Commercial Vegetables

The prospective 1954 planted acreage of nine vegetables for commercial processing is estimated at 6 percent less than a year ago, according to the Crop Reporting Board of USDA in its May 1 report. The comparison of the winter and spring planted acreage of these same nine crops for fresh market plus asparagus shows that the prospective spring acreage of the same crops for fresh market is about 9 percent above a year ago.

Of the nine vegetables for processing, all show a lower acreage than a year ago except lima beans, snap beans, and spinach. The greatest increases were snap beans, for which acreage is up slightly less than 4 percent from a year ago. Of the same nine vegetables for fresh market, however, six of them show increases over a year ago. Asparagus, which is reported for fresh market and processing together in these first reports, shows a 4 percent increase in acreage over a year ago. The comparison of the prospective planted acreage in 1954 for processing and for the winter and spring crop for fresh market is shown in the following table.

| Crop | For Processing: 1954 Indicated (acres) | For Processing: Percent change from 1953 | For Fresh Market[a]: 1954 Indicated (acres) | For Fresh Market[a]: Percent change from 1953 | Total Acreage: 1954 Indicated (acres) | Total Acreage: Percent change from 1953 |
|---|---|---|---|---|---|---|
| Asparagus | ..... | ..... | [b]140,790 | +4.1 | [b]140,790 | +4.1 |
| Beans, lima | 115,130 | +2.2 | 4,950 | −4.8 | 120,080 | +1.0 |
| Beans, snap | 151,860 | +3.7 | 77,300 | +7.2 | 229,160 | +4.9 |
| Beets | 16,440 | −4.5 | 7,550 | +16.3 | 23,990 | +1.2 |
| Cabbage | 10,410 | −13.2 | 77,350 | −6.5 | 87,760 | −7.4 |
| Corn, sweet | 492,050 | −6.9 | 68,250 | +34.8 | 560,300 | −3.3 |
| Cucumbers | 147,740 | −9.0 | 31,700 | +16.5 | 179,440 | −5.4 |
| Peas, green | 456,350 | −1.7 | 9,770 | +38.8 | 466,120 | −1.1 |
| Spinach | 12,100 | +1.7 | 30,600 | −2.3 | 42,700 | −1.2 |
| Tomatoes | 255,200 | −15.3 | 135,000 | +13.4 | 390,200 | −7.1 |
| Total | 1,657,280 | −5.7 | 583,260 | +8.6 | 2,240,540 | −2.3 |

[a] Winter and spring. [b] Fresh and Processing.

## 1953 Packs of Vegetables

Reports on the 1953 packs of carrots and peas, succotash, and mixed vegetables have been issued by the N.C.A. Division of Statistics.

**1953 Pack of Carrots and Peas**

| Region | 1952 (actual cases) | 1953 (actual cases) |
|---|---|---|
| Northeast | 149,813 | 188,203 |
| Midwest | 883,226 | 984,836 |
| West | 451,910 | 565,422 |
| U. S. Total | 1,484,949 | 1,738,461 |

**1953 Pack of Succotash (Lima Beans and Corn)**

| Region | 1952 (actual cases) | 1953 (actual cases) |
|---|---|---|
| Northeast and East | 233,354 | 320,406 |
| Other states | 84,441 | 167,956 |
| U. S. Total | 317,795 | 488,362 |

The pack of triple succotash (lima beans, corn, and tomatoes) was not reported due to the small number of canners packing this commodity in 1953.

**1953 Pack of Mixed Vegetables**

The 1953 pack of mixed vegetables totaled 1,991,224 actual cases as compared with the 1952 pack of 2,282,371 cases.

## Lima Beans for Processing

An increase of about 2 percent in the planted acreage of green lima beans for processing is indicated for 1954, according to the Crop Reporting Board of USDA.

If early-season prospects materialize, the 1954 plantings for canning, freezing and other processing will total 115,130 acres. This compares with a revised estimate of 112,610 acres planted in 1953 and the average of 89,020 acres for the 1943-52 period.

Assuming a loss of plantings of about 7 percent, in line with recent years, a planting of 115,130 acres of lima beans for processing would result in about 107,100 acres for harvest. This compares with 108,460 acres harvested in 1953 and an average of 83,160 acres for the 1943-52 period.

Of the 115,130 acres in prospect for processing this year, intentions reports indicate 74,280 acres will be planted for freezing and 40,850 acres will be planted for canning, including succotash. Compared with last year, the acreage for freezing would be up and the acreage for canning would be down.

| State | Planted Acreage: 10-year ave. 1943-52 (acres) | 1953 Revised (acres) | 1954 Indicated (acres) | Percent change from 1953 revised |
|---|---|---|---|---|
| N. Y. | 2,270 | 4,300 | 4,500 | +5 |
| Pa. | 3,920 | 4,400 | 4,300 | −2 |
| Ohio | 1,030 | 700 | 800 | +14 |
| Mich. | 3,090 | [a]2,620 | 2,300 | −12 |
| Wis. | 5,320 | [a]9,000 | 8,600 | −4 |
| Del. | 17,080 | 22,200 | 24,000 | +8 |
| Md. | 4,470 | 5,200 | 3,900 | −25 |
| Va. | 4,250 | 4,800 | 4,300 | −10 |
| Wash. | 1,320 | [a]730 | 2,400 | +229 |
| Calif. | 15,030 | 27,000 | 28,300 | +5 |
| Other states[1] | 31,240 | 31,000 | 31,730 | +2 |
| U. S. Total | 89,020 | [a]112,610 | 115,130 | +2.2 |
| For canning and other processing[2] | [b]35,780 | [a]44,110 | 40,850 | −7.4 |
| For freezing[2] | [b]63,220 | [a]68,500 | 74,280 | +8.4 |

[a] Revised. [b] Data for 1952; estimates not available prior to 1952. [1] Ark., Colo., Idaho, Ill., Ind., Iowa, Kans., Minn., Mo., N. J., Okla., Ore., Tenn., and Utah. [2] Not shown by states to avoid disclosure of individual operations.

## Deciduous Fruit Production

Prospects for production of deciduous fruits in 1954 were described by the Crop Reporting Board of USDA in its report on May 10, reflecting conditions on May 1.

**Peaches**

In California peach trees bloomed about the average date and conditions have been favorable for the setting of a large crop. Peaches are making rapid development and thinning will be necessary in most orchards.

**Apricots**

The apricot crop is forecast at 145,000 tons compared with 230,000 tons last season and the average of 196,500 tons for the 1943-52 period. The set is reported light in the Santa Clara Valley area.

**Sweet Cherries**

California sweet cherries are forecast at 19,200 tons, 29 percent less than last season and 36 percent less than average. The Royal Anne crop is indicated at 8,000 tons compared with 11,300 tons last season. Other

varieties are forecast at 11,200 tons compared with 15,700 tons in 1953.

In Washington a freeze has damaged the cherry crop as well as most other fruits. There will be practically no production outside of the important Yakima Valley.

The freeze also caused heavy damage to Oregon cherries.

#### Plums and Prunes

Production of California plums is forecast at 74,000 tons, 14 percent less than last season and 7 percent below average. Prospects for California prunes are favorable.

**California Apricots, Cherries, and Plums**

| Crop | 1943-52 ave. (tons) | 1953 (tons) | 1954 Indicated (tons) |
|---|---|---|---|
| Apricots | 196,500 | 230,000 | 145,000 |
| Cherries, sweet | 30,180 | 27,000 | 19,200 |
| Plums | 79,700 | *86,000 | 74,000 |

* Includes excess cullage of 7,000 tons.

## Citrus Fruit Production

The orange crop on May 1 was estimated at 122.7 million boxes, down slightly from the April estimate but 2 percent above the 1952-53 total, according to the Crop Reporting Board of USDA.

Grapefruit production is estimated at 45.2 million boxes, 18 percent more than last season.

By May 1, about 76 million boxes of Florida oranges had been harvested compared with about 59 million a year earlier. The quantity processed was 52 million boxes, 43 percent above the same period last season.

## Per Capita Consumption

#### Correction

In the table on per capita consumption of foods appearing in the left-hand column of page 176, in the INFORMATION LETTER of May 1, the figure for frozen vegetables should have been 0.4; and this figure should have been footnoted to indicate that this was the average per capita consumption for the 1937-39 period instead of 1935-39.

### N.C.A. 1953 Financial Report

A copy of the audited financial statement of the N.C.A. for 1953 will be mailed next week to the office of each member.

## Business Indicators

By the end of the first quarter of 1954 there were some indications that the general business decline which began in September of 1953 was beginning to level off. However, by the end of April, general business activity had not yet reversed its general downward trend. Despite indications that several of the leading statistical indicators had leveled off or seem to be in the upward cycle, preliminary data through April lead to the conclusion that either a further moderate decline or a leveling off of business activity is likely in the near future.

The American Institute for Economic Research reported on May 10 that the preliminary indications of an early upturn in business activity have not yet been confirmed. They add, however, that a severe depression is not probable in the near future.

Some of the bright spots in the general business and economic picture are that industrial common stock prices reached another peak in April, the "inventory recession" appeared abated, construction activity continued high, plant and equipment expenditures remain high, disposable personal income is almost unchanged from the peak, and new orders received by manufacturers were edging upward.

#### Industrial Production

Total industrial production in March was practically unchanged from February (125 compared with 126) but down more than 9 percent from March, 1953. The production of manufactured food products in February stood at 98 percent of the 1947-49 average, 1 percent below a year ago. The production of canned and frozen foods in February was estimated by the Federal Reserve Board at more than 11 percent below a year ago. This was the third consecutive month for which the production index for canned and frozen foods was under a year ago. Industrial production for the first quarter of 1954, estimated at 124, compared with 134 in the first quarter of 1953. However, electric power production, building permits, and plant and equipment expenditures all expanded in 1954 to levels above the first quarter of 1953.

| Industrial Production (Unadjusted) (1947-49 = 100) | March | Change from Month ago | Change from Year ago |
|---|---|---|---|
| | | (percent) | |
| Total industry | 125 | −1.0 | −9.4 |
| Manufactured food products* | 98 | −3.0 | −1.0 |
| CANNED AND FROZEN FOODS* | 70 | −7.9 | −11.4 |

* February.

#### Employment

The 60 million people employed by the end of the first quarter in 1954 was about 2 percent less than the total employment a year ago. Preliminary figures for April showed an increased employment of about 500,000 over March. Total unemployed reached a peak of 3.7 million in March but latest figures indicate a decline during April. This was the first sizable decrease in unemployment since last summer. However, the number out of work for 15 weeks or longer showed no significant change in April from the March total of 1 million. Employment in the canning and preserving industry in the first quarter of 1954 was estimated at 12 percent under a year ago and employment in all manufacturing at 7 percent below 1953.

| Employment | March | Change from Month ago | Change from Year ago |
|---|---|---|---|
| | (thousands) | (percent) | |
| Total employment | 60,100 | +0.1 | *−2.2 |
| Civilian labor force | 63,825 | +0.2 | *+1.1 |
| Total manufacturing | 15,873 | −1.0 | −7.4 |
| CANNING AND PRESERVING INDUSTRY* | 113 | −5.8 | −12.4 |

* Data revised, not strictly comparable.
* February.

#### Sales and Inventories

The apparent reluctance of consumers to expand their buying at retail during the first quarter of 1954 is one of the significant elements in the current economic situation. Retail sales averaged about 5 percent less than in the first quarter of 1953 despite the fact that personal disposable income was about 1½ percent above a year ago—notwithstanding a drop in employment. On a per capita basis, retail sales are about 8 percent less but per capita spendable income was about the same as in the first quarter of 1953. The latest Federal Reserve Board survey on consumer finances may throw some light on this situation. This survey revealed that 47 percent of the families were in the $4,000-and-over income bracket this year compared with 41 percent in 1953. Of this group of families, 59 percent had savings of $200 or more compared with 55 percent a year ago but despite this condition, the proportion that felt they were worse off than a year ago was larger than in the previous survey and the number that thought themselves better off were less numerous. This survey also showed that consumers were generally less confident about future financial prospects than a year ago.

Another element in the declining sales picture may have been the decline

in consumer credit. During the first quarter of 1954 consumers paid off their short-term debts much more rapidly than they incurred new ones. However, consumer credit outstanding was still 8 percent above a year ago.

Latest estimates for April indicate that the ratio of retail inventories to sales increased another 2 percent during April. The revised figures for March indicate a 4 percent rise in the retail inventory-sales ratio instead of the slight decrease indicated by the preliminary data. The ratio of sales to inventory in the canning and preserving industry appears in much healthier condition than most other sales-inventory ratios. Canning and preserving inventories at the end of March were up 12 percent over a year ago but sales were also running 12 percent above a year ago with the result that the inventory-sales ratio was identical to a year ago at 1.55. For manufacturing generally, sales in March were 5½ percent below a year ago and inventories were slightly above 1953. However, new orders were up from a year ago while output was running 10 percent below a year ago. In the first quarter of 1954, industrial goods were purchased at the rate of more than $4 billion a year faster than they were produced. March inventories of retail food stores were almost 10 percent above a year ago while sales were slightly less.

| Sales and Inventories (unadjusted) | March | Change from Month ago | Change from Year ago |
|---|---|---|---|
| | (billion dollars) | (percent) | |
| Inventories: | | | |
| Total business | 81.1 | +0.9 | +2.0 |
| Manufacturing | 45.9 | −1.0 | +1.6 |
| Food and kindred products | 3.5 | −3.6 | +0.1 |
| Canning and Preserving | .7 | −8.1 | +12.3 |
| Wholesale, total | 11.9 | −0.5 | +1.9 |
| Retail, total | 23.3 | +5.8 | +3.0 |
| Food stores | 2.6 | +4.4 | +9.6 |
| Sales: | | | |
| Total business | 47.8 | +10.7 | −4.7 |
| Manufacturing | 25.3 | +10.1 | −5.5 |
| Food and kindred products | 3.8 | +4.3 | +5.1 |
| Canning and Preserving | .4 | −24.6 | +12.0 |
| Wholesale, total | 9.2 | +13.0 | −2.6 |
| Retail, total | 13.3 | +10.3 | −4.7 |
| Food stores | 3.3 | +7.5 | −0.4 |

### Prices

By the end of the first quarter of 1954, the wholesale price index of all commodities was slightly above a year ago (0.5 percent) and the retail price index was slightly more than 1 percent above a year ago. The wholesale price index of all foods was 1 percent less than a year ago but the retail price index was about 0.5 percent higher. This is in contrast to the retail index of canned fruit and vegetable prices which were about 0.5 percent less than a year ago at the retail level and about 2 percent less at the wholesale level. March, 1954, farm prices were 3 percent below a year ago and 1 percent below February. The parity index at 90 points was 4 points below a year ago.

| Prices (1947–49 = 100) | March | Change from Month ago | Change from Year ago |
|---|---|---|---|
| | | (percent) | |
| Wholesale: | | | |
| All commodities | 110.6 | +0.1 | +0.5 |
| All foods | 103.0 | −0.1 | −1.0 |
| Farm products | 98.5 | +0.8 | −1.3 |
| Fruits, fresh | 106.0 | −2.3 | +4.0 |
| Vegetables, fresh | 78.9 | +1.3 | −26.3 |
| Fruits and Juices, Canned | 105.3 | 0 | −2.4 |
| Vegetables and Soups, Canned | 104.2 | +0.1 | −1.4 |
| Retail: | | | |
| All commodities | 114.8 | −0.2 | +1.1 |
| All foods | 112.1 | −0.4 | +0.4 |
| Canned Fruits and Vegetables* | 104.2 | −0.5 | −0.5 |

* February.

### Income and Expenditures

One of the most significant developments in the income and expenditure picture is the 8 percent increase in personal net savings in the first quarter of 1954 over the first quarter of 1953. The first quarter of 1954 savings were only slightly below the record postwar highs in the third quarter of 1952 and the fourth quarter of 1953. The $19.1 billion in net savings was the equivalent of 7.7 percent of disposable income. Personal consumption expenditures as well as expenditures for nondurable goods leveled off during the first quarter and were only slightly different than a year ago. The average weekly earnings of manufacturing workers was down 2 percent from a year ago but the disposable personal income was practically unchanged from the peak, principally because of the recent cut in income taxes. Preliminary estimates of per capita disposable income for the first quarter 1954 placed it at $1,532 compared with $1,560 a year ago and $1,542 in the fourth quarter of 1953.

| Income and Expenditures | First quarter 1954 | Change from Fourth quarter 1953 | Change from First quarter 1953 |
|---|---|---|---|
| | (billion dollars) | (percent) | |
| Disposable personal income | 249.1 | −0.1 | +1.5 |
| Personal consumption expenditures | 230.0 | 0 | +1.0 |
| Expenditures, nondurable goods | 120.4 | 0 | −0.7 |
| Personal net savings | 19.1 | −1.0 | +7.9 |

### Business Failures

The number of business failures reached their peak in March following a steady rise each month during the first quarter. April failures had dropped to 907 compared with more than 1,000 in March. However, the number of failures in April of 1954 was about 50 percent higher than a year ago. In March, the number of business failures climbed for the third consecutive month to the highest monthly level since May, 1942, and 50 percent above a year ago. The failure index reached a postwar peak in March of 44 per 10,000 businesses compared with 30 a year ago. The prewar peak was reached in 1940 at 61 per 10,000.

All industry groups reported more failures than a year ago. The smallest rises occurred in manufacturing, 29 percent above a year ago, and service industries which showed 38 percent more failures than a year ago. In all other business levels the number of failures was more than 50 percent above a year ago. All wholesale and retail trades had more casualties than in March, 1953, with sharp rises in dry goods and apparel. Food store failures stood at the highest rate since 1942. The number of failures among automobile dealers reached a postwar peak.

In the canning and preserving industry, during the first quarter of 1954, there were six failures compared with five for the first quarter of 1953. The liabilities of the first quarter of 1954 failures was about 3¼ times the liabilities of the failures during the corresponding quarters in 1953. The total liabilities of all business failures in March were 84 percent above a year ago and the largest dollar value of any month since 1933. However, to use this value accurately, adjustment should be made for the change in value of the dollar.

| | March | Change from Month ago | Change from Year ago |
|---|---|---|---|
| | (number) | (percent) | |
| Business Failures: | | | |
| All business | 1,102 | +19.0 | +49.1 |
| Manufacturing | 195 | −2.0 | +27.4 |
| Food and kindred products | 10 | −37.5 | −16.7 |
| Canning and Preserving | 6 | +50.0 | +20.0 |
| | (thousands of dollars) | (percent) | |
| Current Liabilities: | | | |
| All business | 57,280 | +19.9 | +84.3 |
| Manufacturing | 15,259 | −31.6 | +25.0 |
| Food and kindred products | 403 | −60.9 | −30.6 |
| Canning and Preserving | 777 | −32.9 | +227.8 |

# CONGRESS

## Marketing Orders Opposed by Vegetable Growers

The Senate Committee on Agriculture has released the transcript of hearings on the general farm program containing the testimony of those who expressed opinions with respect to the extension of marketing orders controls to additional commodities, including fruits and vegetables for canning.

The transcript disclosed that the Vegetable Growers Association of America filed a statement with the Committee by the president, A. Lee Towson of Bridgeton, N. J., expressing opposition to the inclusion of commodities for processing under the Agricultural Marketing Agreement Act.

The Vegetable Growers Association of America represents growers in 27 of the major vegetable growing states and is the only national association exclusively made up of vegetable growers. Its headquarters are in Washington, D. C.

The complete text of the Vegetable Growers Association's statement follows:

This is a supplementary statement to our general statement made to this Committee on March 24, 1954. It deals specifically with our position on marketing agreements.

The primary purpose of agricultural marketing agreements is to afford producers an opportunity to collectively withhold portions of their production from the market, thus attempting to secure a more equitable price, not exceeding parity, and in so doing, be exempt from persecution under the antitrust laws.

Several marketing agreements have been outstandingly successful. Many marketing agreements have been failures because they did not effectuate the purposes of the Act and became unpopular with the producers. We feel that the Marketing Agreement Act should now be changed to correct the inadequacies which have been shown through usage.

The necessary numerical majority of producers and the necessary majority of the acreage volume of those voting in the federal marketing agreement affirmatively to make it operative should also be the same as that required to make the agreement become inoperative. The Secretary of Agriculture should be required to appoint those candidates for committeemen who have received the largest number of votes for such offices. The Secretary of Agriculture shall have the right to appoint his representative to such a committee. The counting of the votes and announcing of results for such committee candidates and for determining whether the producers do or do not want a marketing agreement should be conducted by disinterested citizens. Previous experiences have proved that such committees and the administration of such agreements could become entirely political as the Act can now be administered. Those eligible to vote in such elections as for committeemen and all questions pertaining to such federal marketing agreements should be producers alone, and not officials of a cooperative or association, claiming to speak for the membership of such an organization.

The administrative committee of such a marketing agreement shall determine, by a democratic process of voting, whether and how much the producers coming under such an agreement shall be assessed for research, advertising, sales promotion, and any other expenses incurred by said committee. Marketing agreements should cross state boundaries only on the consent of producers in the states concerned.

We are opposed to the inclusion of commodities produced for processing under the Marketing Agreement Act. The act of processing generally changes the physical appearance of the raw commodity, and the various sizes and grades which might be excluded under such an Act might be the most desirable for a certain type of pack by a processor. Processors contract only for the production of such acreage as he thinks he can market. The processor agrees under his contract to process all production from such contracted acreage at a fixed price for certain standards of quality. Therefore, the inclusion of commodities grown for processing in the Marketing Agreement Act would be contrary to the primary purposes of the Marketing Agreement Act.

## Hearings on Farm Program

*(Concluded from page 187)*

at a later date, a summary of subjects and titles that might be included in the omnibus bill, as well as any other subjects that have been considered and discussed in our hearings and are properly before the committee at this time, in the nature of a farm program. The committee agreed that the bill would cover a number of subjects without any decision as to what subjects are to be included."

When the House Committee will start work on such an omnibus bill will depend, in part, on when its professional staff completes its summaries of possible subjects for legislation. This may take as long as two weeks, and it may take the Committee an additional month in which to come to agreement on an over-all farm bill.

The Senate Agriculture Committee is expected to begin on May 17 executive consideration of various amendments to existing agricultural laws that were presented to it during the public hearings. Chairman Aiken has indicated that he may name subcommittees to study special phases of an over-all farm program. Such studies would take several weeks.

In addition to the Administration's recommendations for a general farm program as contained in the Aiken bill, S. 3052, the Senate Committee has before it a bill proposing marketing orders for canning crops and representing the recommendations of the American Farm Bureau Federation. The Farm Bureau bill was introduced jointly by Senators Hickenlooper (Iowa), Holland (Fla.) and Schoeppel (Kans.). The bill also contains a provision in Title IV which would provide not only for compulsory marketing order controls over fruits and vegetables for canning but also would provide for production controls over canned fruits and vegetables. Similar measures are pending before the House Agriculture Committee.

## Trip-leasing of Trucks

The subcommittee of the Senate Committee on Interstate and Foreign Commerce held hearings May 10-11 on H.R. 3203, to prohibit the ICC from regulating the duration of trip-leasing of motor carriers. The subcommittee will resume hearings on trip-leasing June 7-8.

## N.C.A. Research Report on Waste Treatment Studies

Treatment of canning wastes by a combined anaerobic digestion and lagooning system is the subject of a special report just issued by the N.C.A. Washington Research Laboratory. It gives the results of 1953 experimental studies on this method and outlines the operating factors necessary for application of this method without production of objectionable odors.

Copies of this report, identified as Research Report No. 2-54, "Treatment of Pea and Corn Wastes by a Combined Digester-Lagoon Procedure", by N. H. Sanborn, may be obtained from the Association's Washington Research Laboratory.

## Labeling on Low-sodium Foods

*(Concluded from page 187)*

grams of sodium in 100 grams of food, the proposed order goes further in requiring that a statement of the number of milligrams of sodium in an average serving of the food shall also be given.

Following is the text of the proposed findings and order as published in the *Federal Register:*

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 125]

[Docket No. FDC-24 (a)]

LABEL STATEMENTS CONCERNING DIETARY PROPERTIES OF FOOD PURPORTING TO BE OR REPRESENTED FOR SPECIAL DIETARY USES

CERTAIN FOODS USED AS MEANS OF REGULATING INTAKE OF SODIUM IN DIETARY MANAGEMENT

In the matter of amending the regulations pertaining to label statements concerning dietary properties of food purporting to be or represented for special dietary uses:

It is proposed that, by virtue of the authority vested in the Secretary of Health, Education, and Welfare by the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 403 (j), 701, 52 Stat. 1048, 1055; 21 U. S. C. 343 (j), 371; 67 Stat. 18) and upon the basis of substantial evidence received at the public hearing held pursuant to the notice published in the *Federal Register* on November 14, 1953 (18 F. R. 7249), the following order be made:

*Findings of fact.*[1] 1. Sodium-restricted diets have come to be widely used in medical practice within recent years. Such diets are used in dietary management in the treatment of the edema associated with some types of heart, liver, and kidney disease; for the prevention of the recurrence of such edema; and in the treatment of essential hypertension. Persons may be on sodium-restricted diets for a short period of time or over a period of years. The persons on such diets may be hospitalized or at home (R. 105-106, 110-111, 118-119, 127-130, 148-149, 152-155, 170, 180; Ex. 21, 26, 27, 27-A, 27-B).

2. Sodium-restricted diets are formulated on the basis of the total amount of sodium permitted each day. The level of restriction is stated in terms of milligrams or grams per day. The level of restriction depends upon the individual, his disease, and his response to treatment. Restriction may be mild, moderate, or severe. Diets furnishing materially less than 500 milligrams of sodium daily may be prescribed in severe restriction (R. 106-108, 149, 163-164, 170, 182-183, 185, 187; Ex. 21, 26, 27, 27-A, 27-B).

3. In sodium-restricted diets the total sodium content of the food consumed is of importance, whether derived from added salt (sodium chloride) or from sodium natural to the food, or added to the food by ingredients other than salt used in the food processing or manufacturing (R. 108-110, 149-151, 171-172, 181, 185; Ex. 21, 26, 27, 27-A, 27-B).

4. While added salt (sodium chloride) is the main source of sodium in the diet, the total quantity of sodium in food is also influenced by the natural sodium content of the food and by ingredients other than salt used in food processing or manufacturing. Baking powder, monosodium glutamate, baking soda, sodium alginate, and water are examples of materials used in food processing or manufacturing that contribute to the sodium content of the foods in which they are used (R. 52, 74-77, 109-110, 181, 185, 206; Ex. 21, 22, 24, 26, 27, 27-A, 27-B).

5. Among the persons choosing foods for use in a sodium-restricted diet are patients under the care of a physician, members of the families of such patients who have charge of preparing foods in the home, and, in the case of hospitals diets, dietitians or similarly trained persons in the hospital. Among the foods offered for use in sodium-restricted diets are natural and prepared foods normally low in sodium and specially prepared foods in which the normal sodium content has been reduced. Certain prepared foods, which normally are seasoned with salt, may be prepared without such seasoning. There are now on the market various commercially prepared foods designed to supply the need of persons selecting foods for sodium-restricted diets. Such foods are commonly labeled to call attention to their sodium content. This includes statements such as "salt free," "no added salt," "low sodium," "sodium free," and the like. Where the sodium content is declared, the declaration is commonly in terms of milligrams of sodium in 100 grams of the food, or in terms of percentage, or in terms of milligrams of sodium in a specified serving (R. 21-28, 35-37, 114, 149, 185-187; Ex. 10-12, 20-22, 26, 27, 27-A).

6. Products that are labeled "packed without added salt," "salt free," "low sodium," and the like, without quantitative declaration of sodium content, are often represented for use in sodium-restricted diets by firms marketing such foods. Whether or not other representations are made by firms marketing such foods, products so labeled are considered by physicians, nutritionists, dietitians, and consumers as foods represented to be suitable for use in sodium-restricted diets. Products so labeled may or may not be of low-sodium content (R. 6-19, 51, 53, 64-77, 112-114, 150-151, 181, 187, 197; Ex. 2-A-9, 22-24, 27).

7. Physicians, nutritionists, dietitians, and many consumers have become accustomed to evaluating the sodium content of foods in terms of milligrams of sodium in 100 grams of the food, and the published values for the sodium content of food for sodium-restricted diets are generally in terms of milligrams of sodium in 100 grams of the food. Physicians and dietitians, on the basis of available information of sodium content of foods, give instructions in the selection of suitable foods to patients who must restrict their sodium intake (R. 111-118, 143, 183-184; Ex. 21, 26, 27).

8. To meet the needs of persons who purchase foods for use in sodium-restricted diets, the foods offered for this purpose should be labeled in terms of the number of milligrams of sodium in 100 grams of the food. In addition to the statement of the number of milligrams of sodium in 100 grams of the food, the purchaser needs information concerning the amount of sodium in an average serving of the food. The amount of food in an average serving should be expressed in terms of the number of fixed portions such as slices, cookies, wafers, etc., ordinarily consumed or in terms of convenient units of measure such as cupfuls, tablespoonfuls, teaspoonfuls, etc., which may be readily understood and utilized by purchasers of such food (R. 53, 55-57, 113-115, 133-136, 143-144, 151-152, 171-172, 185, 189-190; Ex. 21, 26, 27, 27-A, 27-B).

9. Reliable and practicable methods are available for the determination of the sodium content of foods, and some packers of foods are currently using such methods in determining the sodium content of their low-sodium foods. (R. 29-42, 48-50, 58-101; Ex. 13-19, 21).

*Conclusions.* Upon consideration of the whole record and the foregoing findings of fact, it is concluded that the label for a food that purports to be or is represented for special dietary use by man as a means of regulating the intake of sodium in dietary management should bear the information concerning its sodium content as specified in the amended regulations hereinafter set forth, and that such information is necessary in order fully to inform purchasers as to the value of the food for such uses.

1. In § 125.4 *Label statements relating to minerals* it is proposed to amend paragraph (a) (2) by changing the second sentence to read as follows: "Except in the case of foods subject to § 125.9, the quantity of food specified as required in this section shall be the quantity customarily or usually consumed during a period of one day, or a quantity reasonably suitable for and practicable of consumption within such period."

[1] The citations following each finding of fact refer to the pages of the transcript of the testimony and the exhibits received in evidence at the hearing.

2. It is proposed to amend Part 125 by adding the following new section:

§ 125.9 *Label statements relating to certain foods used as a means of regulating the intake of sodium in dietary management.* If a food purports to be or is represented for special dietary use by man by reason of its use as a means of regulating the intake of sodium or salt (sodium chloride), the label shall bear a statement of the number of milligrams of sodium in 100 grams of the food and a statement of the number of milligrams of sodium in an average serving of the food. The average serving shall be expressed in terms of a convenient unit or units of such food or a convenient unit of measure that can be readily understood and utilized by purchasers of such food. For example, an average serving might be expressed in terms of a number of slices, cookies, wafers, etc., or in terms of cupfuls, tablespoonfuls, teaspoonfuls, etc.

Any interested person whose appearance was filed at the hearing may, within 30 days from the date of publication of this tentative order in the *Federal Register*, file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, Health, Education, and Welfare Building, Fourth Street and Independence Avenue SW., Washington 25, D. C., written exceptions thereto. Exceptions shall point out with particularity the alleged errors in this tentative order and shall contain specific references to the pages of the transcript of the testimony or to the exhibits on which such exceptions are based. Such exceptions may be accompanied by a memorandum or brief in support thereof. Exceptions and accompanying memoranda or briefs shall be submitted in quintuplicate.

Dated: May 7, 1954.

[SEAL] OVETA CULP HOBBY,
*Secretary.*

[F. R. Doc. 54-3562; Filed, May 12, 1954; 8:51 a. m.]

## Catsup Standard

*(Concluded from page 187)*

Education, and Welfare by June 10. Following is the text of the announcement:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 53]

TOMATO PRODUCTS; DEFINITIONS; AND STANDARDS OF IDENTITY; QUALITY; AND FILL OF CONTAINER

NOTICE OF PROPOSED RULE MAKING

In the matter of amending the definition and standard of identity for catsup, ketchup, catchup:

Notice is hereby given that a petition has been filed by the National Canners Association to amend the definition and standard of identity of catsup, ketchup, catchup. In accordance with section 401 of the Federal Food, Drug, and Cosmetic Act (52 Stat. 1046, as amended by Pub. Law 335, 83d Cong., 2d Sess.; 21 U.S.C. 341), the Secretary of Health, Education, and Welfare invites all interested persons to present their views regarding the proposed amendments by submitting the same in writing (in quintuplicate) prior to the thirtieth day after the publication of this notice in the *Federal Register*. Written comments should be addressed to the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, Department of Health, Education, and Welfare, Washington 25, D. C.

The petition is as follows:

PETITION TO AMEND THE STANDARD OF IDENTITY FOR CATSUP

The National Canners Association, representing a substantial portion of the packers of catsup, on its own behalf and on behalf of its membership, respectfully proposes, in accordance with the procedure established by section 401 of the Federal Food, Drug, and Cosmetic Act, that § 53.10 of the regulations under the act be amended as follows:

1. In paragraph (a)(3) delete the words "sugar or a mixture of sugar and dextrose (refined corn sugar)" and substitute the words "sugar or dextrose, or corn sirup, or corn sirup solids or any mixture of two or more of these."

2. Add a new paragraph (b) to read "For the purposes of this section the term 'corn sirup' means refined corn sirup the solids of which contain not less than 40% by weight of reducing sugars calculated as anhydrous dextrose."

3. Redesignate paragraph (b) as paragraph (c).

A draft of § 53.10 of the regulations under the Federal Food, Drug, and Cosmetic Act indicating the proposed deletions and additions is attached.

The basis for this petition is an expressed desire by a substantial portion of the catsup industry that corn sirup, both dried and as a concentrated aqueous solution, be specified as an optional seasoning ingredient.

Catsup packers have conducted extensive tests for more than two years to determine the feasibility of using corn sirup in catsup. The data available as the result of these tests establish the suitability of corn sirup for use as a seasoning ingredient in catsup.

There is attached to this petition a memorandum, with exhibits, containing evidence supporting the proposed amendments and showing reasonable grounds therefor.

Accordingly, it is respectfully requested that the present standards be amended as proposed. Such action would promote consumer interest in that it would serve to broaden the base of available seasoning ingredients.

Respectfully submitted.

NATIONAL CANNERS ASSOCIATION

The memorandum, with exhibits, containing data in support of the proposed amendments and showing reasonable grounds therefor, and the draft of 21 CFR 53.10 showing the proposed deletions and additions to said section, which are referred to in the petition, are on file in the office of the Hearing Clerk.

Dated: May 5, 1954.

[SEAL] OVETA CULP HOBBY,
*Secretary.*

[F. R. Doc. 54-3471; Filed, May 10, 1954; 8:47 a.m.]

# DEATH

## Frank Armstrong, Sr.

Frank Armstrong, Sr., 82, founder and for the past five years chairman of the board of National Fruit Product Co., Winchester, Va., died May 7.

Mr. Armstrong organized the National Fruit Product Co. in 1912. His company was one of the first to ship vinegar in glass containers and took the lead in the East in development of solid-pack applesauce. His "White House" brand became one of the nation's most popular.

Mr. Armstrong was a supporter of church activities. He had contributed importantly to churches in Washington, D. C., and Mount Carmel, Va.

Among his survivors is Frank Armstrong, Jr., who served as a member of the N.C.A. Board of Directors, 1951-53.

## Antitrust Violation

*(Concluded from page 187)*

but suspended sentences of imprisonment and placed them on probation for one year.

The indictment, returned last July 29, charged that the defendants conspired to fix the prices at which fresh strawberries are sold at auction; prices at which processing strawberries are sold to processors by growers; and fees and other terms and conditions at which the strawberries and other perishable produce are handled by handlers.

The indictment further charged that the defendants, by force, violence, picketing and boycotting, compelled processors and handlers to purchase and handle strawberries and other perishable produce only from or for defendant Union's members; compelled said processors and handlers to agree to the fees and other terms and conditions prescribed by the defendants on penalty of not being allowed to continue their businesses; prevented processors and handlers from operating their plants and places of business and from receiving, shipping and selling their products; and prevented growers who were not members of the defendant Union from selling their strawberries and other perishable produce unless they joined the defendant Union and agreed to comply with its rules and regulations.

# PUBLICITY

## Canned Foods Luncheon

Canned foods received a play in the publicity and special events scheduled for the April 26 shareholders meeting of the Jones & Laughlin Steel Corporation at Aliquippa, Pa.

Some 700 people were served a 100 percent canned foods luncheon. Special displays were made of stacks of the canned foods on the menu. Copies of the booklet *The Canning Industry*, published by the N.C.A. Information Division to describe the public service values of the canning industry, were included in the news kits given out to newspaper and magazine editors.

Among the canned foods featured on the menu and in the displays were fruit juices, tomato juice, ham, tongue, corned beef, assorted luncheon meat, chicken salad, roast beef, baked beans, bacon, whole kernel corn, bread, sweet gherkins, dill pickles, olives, mustard, catsup, assorted fruit, cookies, coffee, evaporated milk, cream, cocoa, and soft drinks.

## Promotion Booklet Mailed

This week the N.C.A. mailed to members and state secretaries an illustrated pamphlet giving a resume of the aims and principles of the current Consumer and Trade Relations program authorized by the Board of Directors at the last Convention.

The program has been repeatedly described and characterized—in speeches, articles and statements this spring—but it was felt that it would give the members a better understanding to have it condensed into quick reference form.

# RAW PRODUCTS

## Technical Advisory Committee Studies Precision Planters

The development of a precision seeder for vegetable crops which will insure more even germination, seedling growth, and more uniform maturity of vegetable crops grown for processing has been the objective of the N.C.A. Technical Advisory Committee's subcommittee on Precision Vegetable Seeders. The subcommittee met with the design engineers of the manufacturers of agricultural equipment through the Farm Equipment Institute last year to discuss the problem, and later the research committee of the Farm Equipment Institute asked the N.C.A. subcommittee to prepare agronomic specifications for equipment to do the job they thought was necessary for the canning industry.

After a series of meetings of the two groups these specifications were developed jointly and were furnished to all manufacturers of agricultural equipment through the Farm Equipment Institute. A number of manufacturers informed the N.C.A. subcommittee, through the Farm Equipment Institute, that they would develop experimental equipment to be furnished the N.C.A. subcommittee for testing in 1954.

The subcommittee met individually with a number of these manufacturing concerns and their engineers early this spring to see this experimental equipment and to arrange for experimental usage this season. Several machines which will plant and fertilize pea seed more precisely are being tested this year, as well as a precision planter for small vegetable seeds such as carrots, beets, and spinach. The subcommittee will evaluate the performance of this equipment from the standpoint of canning crop production, and will present its evaluations to the companies manufacturing this equipment which have asked for this type of technical evaluation.

## Consumer and Trade Relations

*(Concluded from page 187)*

labor costs as one of the chief problems of the restaurant industry, Mr. Anderson pointed out that, based on comparable quality and the basic element of edible pounds, canned foods generally cost less per edible portion than food in any other form.

He stated that canned products meet restaurant specifications for food portions in the following particulars: Low in cost, easy to figure cost per serving, quick to prepare, year-round availability, good nutritional value, pleasing taste, and economic storage.

Nelson H. Budd, Director of the N.C.A. Information Division, addressed the Washington, D. C. Food Group on May 12, outlining details of the C.&T.R. program. The Food Group is an informal conference group of executives and Washington representatives of national associations in the food industries and directly related industries.

Mr. Budd pointed out the rising curves in both canned foods production and per capita consumption and detailed the methods that are being used in the current campaign to (1) influence consumers to serve more canned foods with pride of culinary achievement and (2) influence distributors to stock more canned foods and merchandise them more dramatically. He displayed samples of the reprints, television kits, radio scripts, press releases and other tools being used to further the program.

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